

1 AN ACT concerning municipalities.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 5. The Illinois Municipal Code is amended by  
5 changing Section 11-117-12 as follows:

6 (65 ILCS 5/11-117-12) (from Ch. 24, par. 11-117-12)

7 Sec. 11-117-12. The charges fixed for the product  
8 supplied or the service rendered by any municipality shall be  
9 sufficient at least to bear all cost of maintenance and  
10 operation, to meet interest charges on the bonds and  
11 certificates issued on account thereof, and to permit the  
12 accumulation of a surplus or sinking fund to meet all unpaid  
13 bonds or certificates at maturity.

14 The corporate authorities of any municipality owning and  
15 operating a municipal utility plant shall, in addition to  
16 fixing utility rates, have the power to establish a service  
17 charge for the late payment of rates charged.

18 Whenever the charges or rates become delinquent, as  
19 provided by ordinance of the municipality fixing a  
20 delinquency date, the charges or rates, except the charges or  
21 rates established by contract for the supply of electricity  
22 or gas to another municipality, are liens upon the real  
23 estate receiving the services. A lien is perfected under this  
24 Section only if the municipality sends to the owner or owners  
25 of record of the real estate, as referenced by the taxpayer's  
26 identification number, (i) a copy of each delinquency notice  
27 sent to the person who is delinquent in paying the charges or  
28 rates or other notice sufficient to inform the owner or  
29 owners of record that the charges or rates have become  
30 delinquent and (ii) a notice that the unpaid charges or rates  
31 may create a lien, under this Section, on the real estate.

1 The municipality, however, has no preference over the rights  
2 of any purchaser, mortgagee, judgment creditor, or any other  
3 lien holder arising prior to the filing of the notice of the  
4 lien in the office of the recorder of the county in which the  
5 real estate is located, or in the office of the registrar of  
6 titles of the county if the real estate is registered under  
7 the Registered Titles (Torrens) Act. This notice shall  
8 consist of a sworn statement setting out (i) a description of  
9 the real estate sufficient for the identification thereof,  
10 (ii) the amount of the charges or rates, and (iii) the date  
11 when the amount became delinquent. The municipality shall  
12 send a copy of the notice of the lien to the owner or owners  
13 of record of the real estate, as referenced by the taxpayer's  
14 identification number. The municipality has the power to  
15 foreclose this lien in the same manner and with the same  
16 effect as in the foreclosure of mortgages on real estate.

17       These amendatory Acts of 1971 and 1975 are not limits on  
18 any municipality which is a home rule unit.

19 (Source: P.A. 79-661.)